

City of Ironton

Rental Rehab Program Requirements

The Ironton 2019 DEED SCDP Program is providing a Rental Rehabilitation activity for Ironton rental property owners. Guidelines for participation in the program require that rental property owners are aware of project requirements that include the following:

- HUD Fair Market Rents (FMR) for these units must not exceed the total of rent and utilities for rental units in Crow Wing County, MN.
- Rents cannot be increased during the term of the SCDP loan (84 months) that exceed the FMR for Crow Wing County, MN.
- The proposed program rehabilitation guidelines clearly identify that the SCDP Rental Rehab Program is not a remodeling program.
- The term of the SCDP loan is 84 months.
- The maximum SCDP Loan amount is 70% of project costs for a maximum of \$14,190
- Owner private match of 30% required at time of closing.

Affordability Scenario:

The proposed project is a single family rental unit. The unit is in need of roofing, plumbing, electrical, window, and door replacements. The total cost to rehabilitate the unit to meet HQS standards is \$24,399. The maximum amount of SCDP funds eligible for the rehab activities is \$14,190. Prior to issuing Proceed to Work Orders, the rental property owner must provide a financing commitment of \$10,209 dollars from non- SCDP sources.

**CITY OF IRONTON
SINGLE FAMILY RENTAL REHAB APPLICATION**

NAME OF OWNER	DATE OF APPLICATION
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ADDRESS	ZIP CODE	APPLICATION #
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E MAIL ADDRESS

HOME PHONE	WORK PHONE
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ADDRESS OF REHAB PROPERTY

LEGAL DESCRIPTION OF PROPERTY TO BE REHABILITATED: (ATTACH A COPY OF CERTIFICATE OF TITLE OR RECORDED DEED)

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CURRENT MORTGAGE INFORMATION (ATTACH A COPY OF MORTGAGE COMPANY, ORIGINAL MORTGAGE AMOUNT AND REMAINING BALANCE)

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OWNER(S) OF RECORD
REAL ESTATE PARCEL CODE: _____ (ATTACH A COPY OF REAL ESTATE TAX STATEMENT)

INSURANCE PROVIDE COPY OF BUILDING INSURANCE

AGE OF BUILDING	OTHER
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NAME OF TENANT

NO. OF BEDROOMS

MONTHLY RENT

WILL TENANT(S) NEED TO VACATE DURING PROPOSED CONSTRUCTION? YES NO

PREVIOUS REHABILITATION ASSISTANCE: YES NO DATE _____ TYPE _____

IS THE PROPERTY UNDER ORDERS FOR HOUSING VIOLATIONS? YES NO

IS THE PROPERTY UNDER ORDERS FOR LEAD VIOLATIONS? YES NO

LIST OF ANTICIPATED IMPROVEMENTS:

ESTIMATED COST \$ _____

NOTICE: THE INFORMATION REQUESTED IS LEGALLY REQUIRED TO DETERMINE IF YOU QUALIFY FOR PARTICIPATION IN THE PROGRAM. A PORTION OF THE DATA REQUESTED MAY BE CLASSIFIED AS "PRIVATE DATA ON INDIVIDUALS" UNDER MINNESOTA STATUTES 462.065. USE OF DATA OBTAINED IS LIMITED TO THAT NECESSARY FOR THE ADMINISTRATION AND MANAGEMENT OF THIS PROGRAM BY PERSONNEL OR THOSE UNDER CONTRACT WITH CITY OF IRONTON; AND, IN INSTANCES WHERE ACCESS TO THIS DATA IS AUTHORIZED BY STATE STATUTE OR FEDERAL LAW, IT MAY BE MADE AVAILABLE TO OTHER GOVERNMENTAL ENTITIES, INCLUDING, BUT NOT LIMITED TO THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT. I UNDERSTAND AND AGREE THERE IS A 7 YEAR HUD FAIR MARKET RENT REQUIREMENT ON MY PROPERTY (SHOULD THIS APPLICATION BE AWARDED)

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SIGNATURE

DATE

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SIGNATURE

DATE

5/2011

2/01/2020

APPLICATIONS AND SUPPORTING DOCUMENTS ARE TO BE RETURNED TO:
IRONTON CITY HALL ~ IN A SEALED ENVELOPE WITH:

ATTENTION: NANCY GRABKO, DEED GRANT ADMINISTRATOR

APPLICATIONS WILL BE PROCESSED ON A FIRST COME, FIRST SERVE BASIS.



FY 2021 FAIR MARKET RENT DOCUMENTATION SYSTEM

The FY 2021 Crow Wing County, MN FMRs for All Bedroom Sizes

Final FY 2021 & Final FY 2020 FMRs By Unit Bedrooms

Year	<u>Efficiency</u>	<u>One- Bedroom</u>	<u>Two- Bedroom</u>	<u>Three- Bedroom</u>	<u>Four- Bedroom</u>
FY 2021 FMR	\$523	\$601	\$792	\$1,033	\$1,147
<u>FY 2020 FMR</u>	\$545	\$635	\$836	\$1,086	\$1,193

Crow Wing County, MN is a non-metropolitan county.

Fair Market Rent Calculation Methodology

[Show/Hide Methodology Narrative](#)

Fair Market Rents for metropolitan areas and non-metropolitan FMR areas are developed as follows:

1. 2014-2018 5-year American Community Survey (ACS) estimates of 2-bedroom adjusted standard quality gross rents calculated for each FMR area are used as the new basis for FY2021 provided the estimate is statistically reliable. For FY2021, the test for reliability is whether the margin of error for the estimate is less than 50% of the estimate itself and whether the ACS estimate is based on at least 100 survey cases. HUD does not receive the exact number of survey cases, but rather a categorical variable known as the count indicator indicating a range of cases. An estimate based on at least 100 cases corresponds to a count indicator of 4 or higher.

If an area does not have a reliable 2014-2018 5-year, HUD checks whether the area has had at least minimally reliable estimate in any of the past 3 years, or estimates that meet the 50% margin of error test described above. If so, the FY2021 base rent is the average of the inflated ACS estimates.

If an area has not had a minimally reliable estimate in the past 3 years, the estimate State for the area's corresponding metropolitan area (if applicable) or